

## **740.0000 SITUS**

**740.0001 Aircraft.** If an aircraft has acquired situs in the state as defined by Property Tax Rule 205, assessment of the aircraft is proper, notwithstanding foreign registry of the aircraft and foreign citizenship of its owner. C 1/23/85.

**740.0002 Aircraft.** General aircraft and other personal property are usually taxable in the state of the owner's domicile. An exception arises when the aircraft owner can show that a taxable situs has been established in another state. In the event of multiple situs, proration is required. Property Tax Rule 205(b) should not be applied when assessing general aircraft employed in interstate commerce since that rule is designed to apply only to determinations of situs which pertain solely to California counties. C 7/21/77; C 9/3/96.

**740.0003 Aircraft.** In the event of taxable situs in more than one state, the primary taxable situs and the secondary taxable situs must be determined. The time spent by the aircraft in the state in which the aircraft has acquired secondary taxable situs divided by 365 days provides the percentage of fair market value to be prorated to the state of secondary taxable situs. C 7/21/77; C 9/3/96.

**740.0004 Aircraft.** If an aircraft is present in the county on the lien date and had situs in the county for one or more of the preceding assessment years, then it will have current taxable situs in the county even if removed prior to the start of the new fiscal year. C 11/5/97.

**740.0005 Aircraft.** An aircraft in which ownership has been divided into smaller fractional ownership interests, similar to a timeshare estate in real property without fixed dates of possession, may be taxable in California as a general aviation aircraft. Such fractionally owned aircraft may acquire taxable situs in California if the aircraft maintains a substantial presence in the state. If two or more states acquire the power to tax the aircraft owing to the aircraft's having acquired tax situs in their states, each state is to apportion its tax to the extent that the aircraft could also be taxed by another state. An apportioned value should be based upon the actual time the aircraft was in California.

If such an aircraft acquires taxable situs in California, the proper assessee of an aircraft that is operationally controlled by one entity and fractionally owned by multiple persons is either the entity or the fractional owners pursuant to Revenue and Taxation Code section 405. C 8/9/2006.

**740.0015 Boats.** Racing boats present in a county on the lien date do or do not have taxable situs there depending on a combination of considerations including ownership, home port registry, commercial activity and/or time in the county, tax payments in any jurisdiction and any other facts that indicate that benefits received in a given jurisdiction warrant a conclusion that taxable situs has been achieved. C 12/14/90.

**740.0016 Commercial Satellites.** Although satellites in outer space may be in direct communication with ground stations in California and, therefore, qualify as property used to generate taxable revenues in this state, they are not property located within the State for purpose of taxation under property tax laws. The satellites in question are not and have never been located in California and are owned by a company that is located outside of California. C 1/30/85.

**740.0030 Documented Vessels.** A vessel owned by an out-of-state corporation and documented at a homeport in another state may nevertheless be taxable by a California County provided that its continuous presence in that county indicates that the vessel has acquired a new taxable situs therein. C 2/29/96.

**740.0031 Documented Vessels.** When a vessel documented in California and owned by a California resident is documented elsewhere and relocated to a foreign country, the vessel will continue to be taxable in California until the owner establishes to the assessor that the vessel has acquired situs elsewhere. It is presumed that if a vessel owned by a California resident is plying the waters of this state, it is sited in California and does not have situs somewhere else. C 3/27/98.

**740.0043 Farm Equipment.** Where a farm is located in more than one county, the assessor for each county involved may make a request that the owner locate the personal property used in the operation, and he or she may make an assessment based on that information. Lacking response to such a request, the assessor may make an estimated assessment based upon any available information, as provided in Revenue and Taxation Code sections 501 et. seq.

Property Tax Rule 205 should be followed in determining the situs of movable property. Cooperation between assessors will insure against the possibility of double assessment and taxation. C 10/27/86.

**740.0054 Leased Property.** Property leased to an out-of-state governmental agency is not exempt because of the lessee's status as a governmental entity. Exemption, however, may be available if the property is used outside California for an extended, but unspecified period, or for more than six months. C 9/26/84.

**740.0065 Movable Equipment.** Property that arrives in a county during January 1992, and that is to remain there until the end of April, when, according to the owners' stated intention, it is to be moved to a second county for five months and, thereafter, is to be moved to other counties for various periods, aggregating two years in the state, should be assessed by the assessor of the first county. While Property Tax Rule 205 does not specifically cover this sequence of intended uses, the presence of the property in the first county on the lien date and the unlikelihood that situs will be achieved in any other county warrants such an assessment. C 7/1/92.

**740.0066 Movable Equipment.** Property Tax Rule 205 provides that movable property that does not have permanent situs in the county where it is located on the lien date has situs in the county where it is returned between uses. If there is no such location, the situs is in the county in which the principal place of business of the owner is located. It is the property owner's responsibility to provide documentation establishing that equipment the assessor proposes to assess acquired status elsewhere. If, based upon the evidence, the assessor determines that some equipment has tax situs in his or her county and some in other states, then apportionment of the assessment is required. C 2/10/2004.

**740.0086 Rodeo Animals.** Animals used in rodeo shows that travel from county to county in California and to adjoining states, where they are present for short periods of time, and that are then moved elsewhere or returned to the place of the owners' domiciles do not obtain tax situs at those locations. In accordance with *Ice Capades, Inc. v. Los Angeles County* (1976) 56 Cal.App.3d 745, all of the animals would be assessable at the owners' domiciles and subject to unapportioned property taxes. C 6/13/84.

**740.0095 Soldier's/Sailor's Civil Relief Act.** The personal property of military personnel stationed in California but who are not residents and are not domiciled here shall not be regarded as having situs in this State per Title 50 United States Code Annotated, section 574.

The failure of a service person to claim the protection of the "Civil Relief Act" in a given year is not a bar to a subsequent refund of taxes provided a claim for refund is filed within the statutory period. C 12/6/90.

[740.0096](#) **Soldier's/Sailor's Relief Act.** An undocumented vessel owned by a serviceman in California on active duty and habitually moored in a California county is not, per Title 50 United States Code Annotated, section 574, deemed to be located in or have a situs for taxation in the state where the serviceman happens to be due to his military orders.

To be entitled to the homeowners' exemption under article XIII, section 3(k) of the California Constitution, the claimant must be an owner and must be living in the dwelling on the lien date as his principal residence. There is no requirement that the person claiming the exemption be a legal resident of California. Accordingly, unless it can be concluded that the property is a secondary home of the owner, the serviceman meets the requirements for the homeowners' exemption. C 9/1/77